



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE**

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M E M O R A N D U M

TO: The Honorable Dave Goetz, Commissioner
Department of Finance and Administration

FROM: Bill Ketron, Chairman, Fiscal Review Committee *BK*
Charles Curtiss, Vice-Chairman, Fiscal Review Committee *CC*

DATE: August 10, 2010

SUBJECT: Contract Comments
(Fiscal Review Committee Meeting 8/10/10)

RFS# 318.65-247

Department: Finance & Administration/Bureau of TennCare

Contractor: Keystone Peer Review, Inc.

Summary: The vendor is currently responsible for monitoring TennCare's recipient appeals process. The proposed amendment extends the current contract for an additional year through September 14, 2011, reduces the number of routine periodic competency tests required by the vendor, revises mandatory work experience of the Information Systems Manager, and increases the maximum liability by \$8,191,320.

Maximum liability: \$23,396,448

Maximum liability w/amendment: \$31,587,768

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: The Honorable Darin Gordon, Deputy Commissioner
Mr. Robert Barlow, Director, Office of Contracts Review